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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FILED/ACCEPTED

SEP - 5 2007

Federal Communications Commission
Office of the Secretary

In the Matter of)	EB Docket No. 07-147
)	
PENDLETON C. WAUGH, CHARLES M.)	File No. EB-06-IH-2112
AUSTIN, and JAY R. BISHOP)	NAL/Acct. No. 200732080025
)	
PREFERRED COMMUNICATION)	FRN No. 0003769049
SYSTEMS, INC.)	
)	
Licensee of Various Site-by-Site Licenses in)	
the Specialized Mobile Radio Service.)	
)	
PREFERRED ACQUISITIONS, INC.)	FRN No. 0003786183
)	
Licensee of Various Economic Area Licenses)	
in the 800 MHz Specialized Mobile Radio)	
Service)	

To: Preferred Communication Systems, Inc.

ENFORCEMENT BUREAU'S REQUEST FOR
ADMISSION OF FACTS AND GENUINENESS OF DOCUMENTS TO
PREFERRED COMMUNICATION SYSTEMS, INC.

The Enforcement Bureau, pursuant to section 1.246 of the Commission's Rules, 47 C.F.R. § 1.246, hereby requests that, within 10 days of service of this request, Preferred Communication Systems, Inc. ("PCSI"), admit to the truth of the following facts and genuineness of the attached documents, as set forth in the following numbered paragraphs. Each response shall be labeled with the same number as the subject admission request and shall be made under oath or affirmation of the person providing the response.

No. of Copies rec'd. 076
List ABCDE

Definitions

For this document, the following definitions apply:

“PCSI” means Preferred Communication Systems, Inc., any affiliate, d/b/a, predecessor-in-interest, parent company, wholly or partially owned subsidiary, successor-in-interest or other affiliated company or business, and all directors, officers, employees, shareholders or agents, including consultants and any other persons working for or on behalf of any of the foregoing during the period January 1, 1998 through the present.

“Act” means the Communications Act of 1934, as amended.

“Commission” means Federal Communications Commission.

Admissions

1. PCSI is the licensee of Station WPDU206 (Santurce, PR).
2. PCSI is the licensee of Station WPDU210 (Santurce, PR).
3. PCSI is the licensee of Station WPDU218 (Santurce, PR).
4. PCSI is the licensee of Station WPDU222 (Santurce, PR).
5. PCSI is the licensee of Station WPDU263 (Santurce, PR).
6. PCSI is the licensee of Station WPDU266 (Santurce, PR).
7. PCSI is the licensee of Station WPDU271 (Santurce, PR).
8. PCSI is the licensee of Station WPDU275 (Santurce, PR).
9. PCSI is the licensee of Station WPDU279 (Santurce, PR).
10. PCSI is the licensee of Station WPDU287 (Santurce, PR).
11. PCSI is the licensee of Station WPEF461 (Santurce, PR).
12. PCSI is the licensee of Station WPEU434 (Santurce, PR).
13. PCSI is the licensee of Station WPEX345 (Santurce, PR).

14. PCSI is the licensee of Station WPEY418 (Santurce, PR).
15. PCSI is the licensee of Station WPEY419 (Santurce, PR).
16. PCSI is the licensee of Station WPEY421 (Santurce, PR).
17. PCSI is the licensee of Station WPEY422 (Santurce, PR).
18. PCSI is the licensee of Station WPEY423 (Santurce, PR).
19. PCSI is the licensee of Station WPEY424 (Santurce, PR).
20. PCSI is the licensee of Station WPEY425 (Santurce, PR).
21. PCSI is the licensee of Station WPEY427 (Santurce, PR).
22. PCSI is the licensee of Station WPEY429 (Santurce, PR).
23. PCSI is the licensee of Station WPEY430 (Santurce, PR).
24. PCSI is the licensee of Station WPEY431 (Santurce, PR).
25. PCSI is the licensee of Station WPEY432 (Santurce, PR).
26. PCSI is the licensee of Station WPEY445 (Santurce, PR).
27. PCSI is the licensee of Station WPEY446 (San Juan, PR).
28. PCSI is the licensee of Station WPEY447 (Santurce, PR).
29. PCSI is the licensee of Station WPEY448 (Santurce, PR).
30. PCSI is the licensee of Station WPEY450 (Santurce, PR).
31. PCSI is the licensee of Station WPEY451 (Santurce, PR).
32. PCSI is the licensee of Station WPEZ750 (Santurce, PR).
33. PCSI is the licensee of Station WPFA265 (San Juan, PR).
34. PCSI is the licensee of Station WPFA266 (Santurce, PR).
35. PCSI is the licensee of Station WPFA268 (Santurce, PR).
36. PCSI is the licensee of Station WPFA269 (Santurce, PR).

37. PCSI is the licensee of Station WPFA270 (Santurce, PR).
38. PCSI is the licensee of Station WPFA273 (Santurce, PR).
39. PCSI is the licensee of Station WPFA278 (Santurce, PR).
40. PCSI is the licensee of Station WPFA280 (Santurce, PR).
41. PCSI is the licensee of Station WPF607 (Santurce, PR).
42. PCSI is the licensee of Station WPF608 (Santurce, PR).
43. PCSI is the licensee of Station WPF609 (Santurce, PR).
44. PCSI is the licensee of Station WPF610 (Santurce, PR).
45. PCSI is the licensee of Station WPF611 (Santurce, PR).
46. PCSI is the licensee of Station WPF612 (Santurce, PR).
47. PCSI is the licensee of Station WPF472 (Santurce, PR).
48. PCSI is the licensee of Station WPF934 (Cayey, PR).
49. PCSI is the licensee of Station WPF589 (no ULS address; coordinates 18-16-08.8 N, 066-04-00.5 W).
50. PCSI is the licensee of Station WPF599 (Caguas, PR).
51. PCSI is the licensee of Station WPF597 (Cayey, PR).
52. PCSI is the licensee of Station WPF600 (San Juan, PR).
53. PCSI is the licensee of Station WPF354 (Aguada, PR).
54. PCSI is the licensee of Station WPF600 (Anasco, PR).
55. PCSI is the licensee of Station WPF636 (Anasco, PR).
56. PCSI is the licensee of Station WPF725 (Anasco, PR).
57. PCSI is the licensee of Station WPFQ293 (Charlotte Amalie, VI).
58. PCSI is the licensee of Station WPF846 (Saint Croix, VI).

59. PCSI is the licensee of Station WPFS856 (Saint Croix, VI).
60. PCSI is the licensee of Station WPFT334 (Saint Croix, VI).
61. PCSI is the licensee of Station WPFT335 (Saint Croix, VI).
62. PCSI is the licensee of Station WPFT335 (Aguada, PR).
63. PCSI is the licensee of Station WPFT356 (Aguada, PR).
64. PCSI is the licensee of Station WPFT357 (Saint Croix, VI).
65. PCSI is the licensee of Station WPFT369 (Charlotte Amalie, VI).
66. PCSI is the licensee of Station WPFT416 (Charlotte Amalie, VI).
67. PCSI is the licensee of Station WPFT417 (Saint Croix, VI).
68. PCSI is the licensee of Station WPFT968 (Charlotte Amalie, VI).
69. PCSI is the licensee of Station WPFV692 (Charlotte Amalie, VI).
70. PCSI is the licensee of Station WPFV884 (Mayaguez, PR).
71. PCSI is the licensee of Station WPFX997 (Mayaguez, PR).
72. PCSI is the licensee of Station WPFZ805 (Mayaguez, PR).
73. PCSI is the licensee of Station WPFZ806 (Mayaguez, PR).
74. PCSI is the licensee of Station WPFZ807 (Mayaguez, PR).
75. PCSI is the licensee of Station WPFZ808 (Mayaguez, PR).
76. PCSI is the licensee of Station WPGD852 (Mayaguez, PR).
77. PCSI is the licensee of Station WPGD855 (Mayaguez, PR).
78. PCSI engaged in raising capital to operate its wireless system.
79. To date, PCSI has not completed construction of facilities for each of the licenses listed in item numbers 1 through 77 above.

80. To date, PCSI does not hold funds or funding commitments necessary to complete construction of facilities for each of the licenses listed in item numbers 1 through 77 above.
81. To date, PCSI has not secured the funding necessary to continuously operate facilities for each of the licenses listed in item numbers 1 through 77 above.
82. PCSI has not operated some of the licenses listed in item numbers 1 through 77 above since December 2005.
83. PCSI has not operated any of the licenses listed in item numbers 1 through 77 above since December 2005.
84. Between December 2005 and the present, PCSI discontinued operation for more than one year of each of the licenses listed in item numbers 1 through 77 above.
85. Preferred Acquisitions, Inc. is a wholly-owned subsidiary of PCSI.
86. Charles M. Austin has been the President and CEO of PCSI since its inception.
87. Charles M. Austin has held 800,000 shares of PCSI voting stock since 1999.
88. Pendleton C. Waugh has worked for PCSI during every year from 1998 to the present.
89. Pendleton C. Waugh has held shares of PCSI stock.
90. Pendleton C. Waugh has held at least 10% of outstanding and issued shares of PCSI stock.
91. Pendleton C. Waugh has held outright at least 10% of outstanding and issued shares of PCSI stock.

92. Pendleton C. Waugh has held through a trust at least 10% of outstanding and issued shares of PCSI stock.
93. In 1990, Pendleton C. Waugh formed Express Communications.
94. Pendleton C. Waugh formed entities affiliated with Express Communications.
95. In 1995, Pendleton C. Waugh pled guilty to one count of conspiracy to structure financial transactions to evade reporting requirements, a felony (Case No. 3:94-CR-160-T).
96. In 1995, due to Pendleton C. Waugh's conviction for structuring financial transactions to evade reporting requirements, he was sentenced to 21 months in federal prison, followed by three years of probation, and payment of \$20,000 in fines (Case No. 3:94-CR-160-T).
97. In a plea agreement Pendleton C. Waugh entered in 1995, he agreed not to violate any federal, state, or local laws, and specifically regulations or orders issued by the United States Securities and Exchange Commission ("SEC") or any equivalent state agency; and agreed to divest himself, without compensation, of any ownership interests in Express Communications and affiliated entities (Case No. 3:94-CR-160-T).
98. In 1997, the United States District Court for the District of Columbia granted the SEC summary judgment against Pendleton C. Waugh for violations of various securities regulations stemming from his involvement in Express Communications (Case No. 95-CV-2268).

99. In 1997, as a result of the SEC's summary judgment against Pendleton C. *Waugh*, he was ordered to reimburse nearly \$13 million dollars and enjoined from violating various securities laws (Case No. 95-CV-2268).
100. In 1997, as a result of the SEC's summary judgment against Pendleton C. *Waugh*, he was thereafter enjoined by the SEC from dealing in securities of any kind, including those relating to telecommunications licenses (Case No. 95-CV-2268).
101. In 1999, Pendleton C. *Waugh* was convicted in Texas state court of securities fraud, a felony (Case No. F-9703517).
102. In 1999, Pendleton C. *Waugh* was adjudged to have violated the terms of his parole from federal prison (Case No. 3:94-CR-160-T).
103. In 2001, Pendleton C. *Waugh* was adjudged to have violated the terms of his probation on his state conviction by traveling to Puerto Rico (Case No. F-9703517).
104. As a result of findings that Pendleton C. *Waugh* violated his federal and state parole provisions, he was sentenced to six additional months in federal prison (Case No. 3:94-CR-160-T) and four years in state prison (Case No. F-9703517).
105. Michelle Bishop was Secretary and Treasurer of PCSI from 1998 until 2001.
106. Michelle Bishop's husband is or was Jay R. Bishop.
107. Jay R. Bishop was a Consultant for PCSI from 1998 to 2001.
108. In the early 1990s, Jay R. Bishop was one of three shareholders in Continental Wireless Cable Television, Inc.

109. In 1994, as a result of Continental Wireless Cable Television, Inc.'s activities, the SEC filed an enforcement action against Continental for defrauding investors as a result of the violation of numerous securities regulations.
110. As part of its enforcement action against Continental Wireless Cable Television, Inc., the SEC obtained a restraining order against the company and froze all of the assets of the company and its principals.
111. After the SEC's enforcement action against Continental Wireless Cable Television, Inc., the company was placed into involuntary receivership.
112. In 2001, Jay R. Bishop was convicted of conspiracy to defraud the Internal Revenue Service and tax evasion (Case No. 98CR3260-IEG).
113. Charles M. Austin's employment background prior to his involvement with PCSI includes the following positions:
 - a. Investment Representative of a wireless cable development company, American Wireless;
 - b. Investment Representative of an SMR development capital company, Walmac LLC;
 - c. Vice-President of a wireless licensing and acquisitions company, Communications Equity Associates, L.L.C.; and
 - d. President of an infomercial funding company, MediaResponse, LLC.
114. Charles M. Austin was a founder of PCSI.
115. Charles M. Austin was a founder of PAI.
116. Pendleton C. Waugh was a founder of PCSI.

- 117. Pendleton C. Waugh was a founder of PAI.
- 118. Jay R. Bishop was a founder of PCSI.
- 119. Jay R. Bishop was a founder of PAI.
- 120. Charles Guskey was a founder of PCSI.
- 121. Charles Guskey was a founder of PAI.
- 122. PCSI issued stock to Gerald E. Setka.
- 123. PCSI was formed to acquire Commission wireless licenses.
- 124. PAI was formed to acquire Commission wireless licenses.
- 125. PCSI was formed to acquire Commission wireless licenses and sell them for a profit.
- 126. PAI was formed to acquire Commission wireless licenses and sell them for a profit.
- 127. In 1998, PCSI filed various applications to receive assignment of wireless licenses from other entities.
- 128. In 1999, PCSI became the licensee of 86 Specialized Mobile Radio licenses after the Commission granted its assignment applications.
- 129. Nine of PCSI's licenses were canceled due to PCSI's failure to renew them.

Attachment A

- 130. Attachment A is a true and accurate copy of PCSI's response, dated July 27, 2006, to the Enforcement Bureau's June 30, 2006 letter of inquiry in EB File No. EB-06-IH-2112, including attached declarations but not other attachments.

131. One or more officers of PCSI personally prepared the document which is appended hereto as Attachment A.
132. One or more officers of PCSI personally reviewed the document which is appended hereto as Attachment A for truthfulness, completeness, and correctness before it was filed with the Commission.
133. The signature that appears on the declaration of Charles M. Austin, included in the document appended hereto as Attachment A, belongs to Charles M. Austin.
134. The signature that appears on the declaration of Pendleton C. Waugh, included in the document appended hereto as Attachment A, belongs to Pendleton C. Waugh.

Attachment B

135. Attachment B is a true and accurate copy of PCSI's response, dated January 25, 2007, to the Enforcement Bureau's December 27, 2006 letter of inquiry in EB File Number EB-06-IH-2112, including attached declarations, an Exhibit marked with Bates Stamp 000000, an Exhibit marked with Bates Stamp 000007-000012, and an Exhibit marked with Bates Stamp 000013-000021, but excluding other exhibits.
136. One or more officers of PCSI personally prepared the document which is appended hereto as Attachment B.
137. One or more officers of PCSI personally reviewed the document which is appended hereto as Attachment B for truthfulness, completeness, and correctness before it was filed with the Commission.

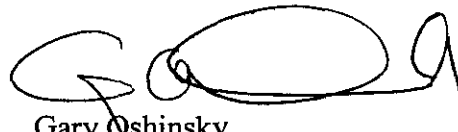
138. The signature that appears on the declaration of Charles M. Austin included in the document appended hereto as Attachment B, belongs to Charles M. Austin, President and CEO of PCSI.
139. The signature that appears on the declaration of Michelle Bishop included in the document appended hereto as Attachment B, belongs to Michelle Bishop.
140. The signature that appears on the declaration of Pendleton C. Waugh included in the document appended hereto as Attachment B, belongs to Pendleton C. Waugh.
141. PCSI did not file any supplement to its January 25, 2007 response to the Enforcement Bureau's December 27, 2006 letter of inquiry.

Attachment C

142. Attachment C is a true and accurate copy of an item appended to the Enforcement Bureau's December 27, 2006 letter of inquiry in EB-06-IH-2112 as Attachment A.

143. Except for the absence of a Bates Stamp Number "000000" in the lower right hand side and the absence of "VOID" handwritten across the front, Attachment C is identical to the Exhibit marked with Bates Stamp Number 000000, submitted with PCSI's January 25, 2007 response to the Enforcement Bureau's second letter of inquiry, appended hereto as Attachment B.

Respectfully submitted,
Kris Anne Monteith
Chief, Enforcement Bureau

A handwritten signature in black ink, appearing to read "G. Oshinsky", with a large loop at the end.

Gary Oshinsky
Attorney, Investigations and Hearings Division

A handwritten signature in black ink, appearing to read "Anjali Singh", with a large loop at the end.

Anjali Singh
Attorney, Investigations and Hearings Division

Federal Communications Commission
445 12th Street, S.W., Room 4-C330
Washington, D.C. 20554
(202) 418-1420
September 5, 2007

ATTACHMENT A

July 27, 2006

Paul C. Besozzi
(202) 457-5292
pbsozzi@pattonboggs.com

BY HAND DELIVERY

Dana Leavitt, Esquire
Special Counsel
Investigation and hearings Division
Enforcement Bureau
Federal Communications Commission
c/o NATEK
9300 East Hampton Drive
Capitol Heights, Maryland 20743

RECEIVED - FCC

JUL 27 2006

**Federal Communication Commission
Bureau / Office**

**Re: Preferred Communication Systems, Inc.
File No. EB-06- IH-2112**

Dear Dana:

In accordance with that certain letter, dated June 30, 2006, from William H. Davenport, Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission in referenced file ("Letter"), enclosed responses and documents and declarations are provided at the direction and on behalf of Preferred Communication Systems, Inc.

Preferred appreciates the extensions of time that the Bureau permitted to respond to its inquiries. Preferred has made a good faith effort to search for all responsive materials going back to January 1, 1998. Preferred is providing what responsive information it has identified to date and is reserving the right to supplement its responses as its search efforts continue.

By separate transmittal, Preferred is submitting a request for confidential treatment under Section 0.459 of the Commissions rules for certain of the responsive information, to which are attached the documents for which such treatment is requested. As indicated therein, certain additional privileged documents, principally attorney-client communications, were not provided. A privilege log is being prepared to cover those documents.

Sincerely yours,


Paul C. Besozzi

cc: Charles M. Austin

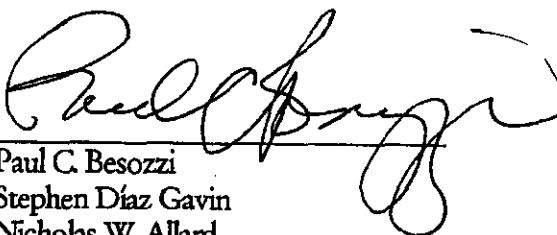
4819001

In this regard, we note at the direction of PCSI that prior to receipt of the LOI, the Company had begun the process of shutting down its Escondido, California office and in doing so had begun the process of boxing and shipping documents to Arizona, where a new office is expected to be located. Accordingly, the Company believes that there may be additional documents that potentially might be responsive to the LOI. To the extent necessary, the Company will supplement the following responses as soon as it is able to obtain access to and review those documents.

Respectfully submitted,

**PREFERRED COMMUNICATION
SYSTEMS, INC.**

By:

A handwritten signature in black ink, appearing to read "Paul C. Besozzi", written over a horizontal line.

Paul C. Besozzi
Stephen Díaz Gavin
Nicholas W. Allard
Carly T. Didden
PATTON BOGGS LLP
2550 M Street, N.W.
Washington, D.C. 20037
(202) 457-6000
Its Counsel

Dated: July 27, 2006

DEFINITIONS

For purposes of these responses, the following definitions, which are directly taken from the LOI, apply:

"Any" shall be construed to include the word "all," and the word "all" shall be construed to include the word "any." Additionally, the word "or" shall be construed to include the word "and," and the word "and" shall be construed to include the word "or." The word "each" shall be construed to include the word "every," and the word "every" shall be construed to include the word "each."

"Document" shall mean the complete original (or in lieu thereof, exact copies of the original) and any non-identical copy (whether different from the original because of notations on the copy or otherwise), regardless of origin or location, of any taped, recorded, transcribed, written, typed, printed, filmed, punched, computer-stored, or graphic matter of every type and description, however and by whomever prepared, produced, disseminated, or made, including but not limited to any advertisement, book, pamphlet, periodical, contract, correspondence, letter, facsimile, e-mail, file, invoice, memorandum, note, telegram, report, record, handwritten note, working paper, routing slip, chart, graph, photograph, paper, index, map, tabulation, manual, guide, outline, script, abstract, history, calendar, diary, agenda, minutes, marketing plan, research paper, preliminary drafts, or versions of all of the above, and computer material (print-outs, cards, magnetic or electronic tapes, disks and such codes or instructions as will transform such computer materials into easily understandable form).

"Identify," when used with reference to a person or persons, shall mean to state his/her full legal name, current business address, and phone number. "Identify," when used with reference to a document, shall mean to state the date, author, addressee, type of document (e.g., the types of document, as described above), a brief description of the subject matter, its present or last known location and its custodian. "Identify," when used with reference to an entity other than a person, shall

mean to state its name, current or last known business address, and current or last known business telephone number.

"Licensee" shall mean Preferred Communication Systems, Inc., and any predecessor-in-interest, affiliate, parent company, wholly or partially owned subsidiary or any other affiliated company or business.

"Person" shall mean natural persons, corporations, trusts, trustees, partnerships, associations, trustees in bankruptcy, and receivers.

"Principal" or "Principals" shall mean all officers, directors, and/or persons directly or indirectly holding five percent or more of the outstanding stock or shares (voting and/or nonvoting) of the Licensee, all non-limited partners, and all limited partners holding a five percent or more interest in the Licensee.

INQUIRY NO. 1

Describe with particularity the nature of the business(es) in which the Licensee is and has been engaged during the period of time covered by this letter of inquiry.

LICENSEE RESPONSE

PCSI is an "early stage" company (i.e., one beyond the start-up phase) that was organized to own and operate communications systems in the Commission's 800 MHz Specialized Mobile Radio ("SMR") band. The Licensee holds Economic Area ("EA") licenses awarded by the FCC under Parts 1 and 90 of the FCC Rules and Regulations pursuant to its competitive bidding procedures,¹ as well as licenses to operate certain site-based SMR facilities acquired from other SMR licensees. The Company's EA licenses encompass a total population of approximately 29.4 million people in the District of Columbia and parts of California, Oregon, Virginia, West Virginia, Maryland, Pennsylvania, Kentucky, Ohio, North Carolina, Puerto Rico and the U.S. Virgin Islands. The Company paid the FCC approximately \$31.7 million for its EA licenses.² PCSI owns 100% of the issued and outstanding shares of Preferred Acquisitions, Inc. ("PAI"). PAI is the entity created by PCSI to acquire the EA licenses in Auction 34. In addition, Preferred holds certain authorizations licensed under Part 90 of its rules to specific locations.³

As an early stage company, the primary focus of PCSI's management and its consulting team has been to secure funding to complete its acquisitions of licenses according to its business plan and to

¹ 47 U.S.C. § 309(j); 47 C.F.R. Parts 1, 90.

² *Public Notice*, "800 MHz Specialized Mobile Radio (SMR) Service - General Category (851-854 MHz) and Upper Band (861-865 MHz) - Auction Closes," Report No. AUC-34-G (Auction No. 34), DA 00-2037, released September 6, 2000.

³ 47 C.F.R. Part 90. See response to Inquiry No. 4 for a list of FCC licenses held by PCSI and PAI.

fund construction and operation of its facilities. That process has been complicated by the untimely death of a substantial financial backer of the Company and the Commission's ongoing "rebanding" process for the SMR band,⁴ which in and of itself has significantly impacted the Company's business plan by both complicating the process for use of the frequencies as intended by the Company and impairing PCSI's continued ability to raise the necessary capital because of the uncertainties caused by the Rebanding Orders.

⁴ In the Matter of Improving Public Safety Communications in the 800 MHz Band, Report and Order, Fifth Report and Order, Fourth Memorandum Opinion and Order, and Order, 19 FCC Rcd. 14969 (2004), as amended by Erratum, released September 10, 2004, Erratum, DA 04-3208, 19 FCC Rcd. 19651 and Erratum, DA 04-3459, 19 FCC Rcd. 21818, released October 29, 2004 ("Initial Report and Order"); Supplemental Order and Order On Reconsideration, 19 FCC Rcd. 25120 (2004) ("Supplemental Order"); Memorandum Opinion and Order, FCC 05-174, 20 FCC Rcd. 16015, released October 5, 2005, as amended by Erratum, DA 05-3061, released November 25, 2005 ("Reconsideration Order") (collectively, "Rebanding Orders").

INQUIRY NO. 2

Identify all Principals of the Licensee during the period of time covered by this letter of inquiry. As to each such Principal:

- a. Specify his or her office, title, and/or interest in the Licensee;
- b. Specify the dates during which he or she held such office, title, and/or interest;
- c. State whether he or she is presently deceased, and, if so, the date on which he or she died;
- d. Specify the nature of any familial interest(s) with any other Principal;
- e. To the extent that any Principal is a trust, identify the trust and specify the following:
 - i. the trustee, beneficiary, and grantor for such trust;
 - ii. the terms of such trust;
 - iii. the date such trust was executed;
 - iv. the termination date, if any, of such trust;
 - v. the status of such trust; and
 - vi. provide all Documents relating to each such trust.
- f. State whether the Principal holds or has held any FCC authorization. If so, as to each such FCC authorization, specify the following:
 - i. licensee name, address, and telephone number;
 - ii. call sign;
 - iii. location;
 - iv. service;
 - v. grant date; and
 - vi. expiration date.

LICENSEE RESPONSE

The Principals of the Licensee during the relevant period and the information requested for each is as follows:

1. Charles M. Austin

Preferred Communication Systems, Inc.
400 E. Royal Lane, N24
Irving, TX 75039
972-869-7626

Question 2a: President/CEO/Chairman of the Board; 77.78% of voting stock, 54.97% of total equity, including non-voting preferred stock of PCSI.

Question 2b: January 1998 to present.

Question 2c: Not applicable (N/A)

Question 2d: N/A

Question 2e: N/A

Question 2f: N/A

2. Linda A. McClain

Preferred Communication Systems, Inc.
400 E. Royal Lane, N24
Irving, TX 75039
972-869-7626

Question 2a: Secretary/Treasurer

Question 2b: May 31, 2001 to present.

Question 2c: N/A

Question 2d: N/A

Question 2e: N/A

Question 2f: N/A

3. Michele D. Bishop

1190 S. Farrell Drive
Palm Springs, CA 92264
760-992-3302

Question 2a: Secretary/Treasurer

Question 2b: January 1998 to May 30, 2001

Question 2c: N/A

Question 2d: N/A

Question 2e: N/A

Question 2f: N/A

4. Gerald E. Setka

6921 Colburn Drive
Annandale, Virginia 22003
703-354-3651

Question 2a: 19.9% of voting stock; 14.09% of total equity, including nonvoting preferred stock.

Question 2b: 1999

Question 2c: N/A

Question 2d: N/A

Question 2e: N/A

Question 2f: Licensee believes that Mr. Setka held an interest in a non-wireline cellular licensee in South Dakota, but has no specific information at this time.

5. Amide Pharmaceutical, Inc.

101 East Main Street
Little Falls, New Jersey 07424
973-890-1440

Question 2a: 14.50% of total equity of PCSI (all nonvoting, preferred stock)

Question 2b: 1999

Question 2c: N/A

Question 2d: N/A

Question 2e: N/A

Question 2f: Yes, but information not available at this time.

INQUIRY NO. 3

State whether the Licensee and/or any Principal thereof has ever been convicted of a felony in state or federal court. If so, as to each such conviction:

- a. Specify the offense(s) involved;
- b. Identify the person, and/or entity involved;
- c. Specify the dates of indictment, conviction, and sentencing;
- d. Provide a full and complete narrative description of the case, including, but not limited to, a description of the offenses identified in the indictment, the offenses of which the person and/or entity was convicted; plea agreement, and sentence;
- e. Provide copies of all orders relating to the disposition of the case;
- f. Specify the date on which each Principal first became aware of each such conviction, and describe the circumstances under which such information became known; and
- g. Upon learning of each such conviction, describe any discussions among the Principals as to the effect of each such conviction upon the Licensee.

LICENSEE RESPONSE

Neither the Licensee nor any Principal has been convicted of a felony in state or federal court.